News Release

FOR IMMEDIATE RELEASE Contact: OPM's Office of Communications
June 14, 2006 202-606-2402

OPM Launches FSAFEDS Debit Card Pilot Program

Washington, DC- The U.S. Office of Personnel Management (OPM) is launching the trial use of a debit card for purchasing eligible health care products and services and eligible over-the-counter items as part of its efforts to create an even more user-friendly FSAFEDS program. The card will be issued to GEHA enrollees who participate in the FSAFEDS' existing paperless reimbursement program. Currently, the paperless program has 7,600 GEHA participants.

"The use of a debit card is fast becoming one of the major modes of purchasing products," said OPM Associate Director Robert F. Danbeck. "Now, with the FSAFEDS debit card, participants will be able to go into the local pharmacy and purchase eligible health care items that will be paid for as if they are using their favorite bank card."

While the card offers substantial convenience, pilot participants must continue to save all receipts so that SHPS, Inc., the FSAFEDS administrator, may verify expenses that can't be substantiated through paperless reimbursement. (For example, over-the-counter medicines.)

The letter from SHPS to individuals eligible to use the debit card instructs the users on what will and will not be covered, and lets them know to expect their Welcome Kit, explanatory brochure and the card by the end of June. SHPS also is contacting GEHA enrollees in FSAFEDS who have not yet signed up for paperless reimbursement, encouraging them to do so. If they choose to sign up for paperless reimbursement, they can also participate in the pilot.

The debit cards can be used through December 31, 2006, or until the available balance in a participant's health care account is gone. OPM will evaluate the pilot in terms of ease of use, customer satisfaction, effect on the cash flow of the program and the need to manually "pay and chase" participants who use the card for non-eligible expenses.

Any questions concerning this notice, contact:

NSSC Customer Contact Center

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